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April 25, 1996

EX PARTE OR LATE FILED

# By overnight mail

Mr. William F. Canton
Office of the Secretary
Federal Communications Commission
1919 M Street
Washington, D.C. 20554

: Notice of Ex Parte Presentation in <u>In the Matter of Federal-State</u>
<u>Joint Board on Universal Service</u>, Common Carrier Docket No. 96-45

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Dear Secretary Canton,

On April 22, 1996, I provided a written ex parte presentation to Ms. Lauren Belvin in the Office of Commissioner James Quello, on behalf of my clients, the National Council of La Raza, Southern Christian Leadership Conference, Korean Youth and Community Center, Filipino Civil Rights Advocates, Filipinos for Affirmative Action, Association of Mexican-American Educators, California Association for Asian-Pacific Bilingual Education, Chicano Federation of San Diego County, El Proyecto del Barrio, Escuela de la Raza Unida, and Lawyers' Committee for Civil Rights of the San Francisco Bay Area. The presentation concerned their comments and positions in Common Carrier Docket No. 96-45 on the Federal-State Joint Board on Universal Service. I file this notice pursuant to 47 C.F.R. § 1.1206(a).

I distributed the attached written materials: (1) a summary of our filing, (2) a graph showing the disparities in subscribership by ethnicity at every income level, (3) a graph showing the importance of multi-lingual access to information about telecommunications services in California, and a survey of community-based organizations across California

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showing the great need for access to the information superhighway in these communities and the serious lack of such access.

Yours very truly,

Malguzgi

Mark Savage

attachment

cc: Ms. Lauren Belvin



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# UNIVERSAL SERVICE IN LOW-INCOME, MINORITY, AND LIMITED-ENGLISH-SPEAKING COMMUNITIES

Public Advocates has been the principal if not sole voice representing the interests of California's low-income, minority, and limited-English-speaking communities on telecommunications issues before California's Public Utilities Commission. In California, these communities comprise more than one half of the state's population. We have sought to ensure that basic and advanced telecommunications services are fully and equally available and affordable to these communities. To this end, we now represent the following organizations in the FCC's proceedings on universal service:

- NATIONAL COUNCIL OF LA RAZA
- SOUTHERN CHRISTIAN LEADERSHIP CONFERENCE
- KOREAN YOUTH AND COMMUNITY CENTER
- FILIPINO CIVIL RIGHTS ADVOCATES
- FILIPINOS FOR AFFIRMATIVE ACTION
- ASSOCIATION OF MEXICAN-AMERICAN EDUCATORS
- CALIFORNIA ASSOCIATION FOR ASIAN-PACIFIC BILINGUAL EDUCATION
- CHICANO FEDERATION OF SAN DIEGO COUNTY
- EL PROYECTO DEL BARRIO
- ESCUELA DE LA RAZA UNIDA
- LAWYERS' COMMITTEE FOR CIVIL RIGHTS OF THE SAN FRANCISCO BAY AREA

### SUMMARY OF FILING

In many respects, California's experience with universal service and local competition may well presage the nation's experience under the Telecommunications Act of 1996. In 1994, California's legislature enacted three statutes on local competition (AB 3606), universal service (AB 3643), and long-distance competition (AB 3720). The CPUC has been holding complex hearings and has developing an extensive evidentiary and rulemaking record to determine how best to implement local competition policies while protecting and advancing universal service.

The National Council of La Raza, Southern Christian Leadership Conference, Korean Youth and Community Center, Filipinos for Affirmative Action, and Filipino Civil Rights Advocates retained Public Advocates to represent them against over 60 LECs, IECs, and

alternative providers. When we required the companies to produce for us their plans to serve California's low-income, minority, and limited-English-speaking communities, in almost every instance they had none. None would commit to a five-year plan to provide enhanced telecommunications services to poor, non-white, and limited-English-speaking households, or to community-based organizations serving these communities. To date, the California Public Utilities Commission has adopted these positions:

- All competing carriers must work to achieve 95 percent subscribership (the statewide average) in California's low-income, minority, and limited-Englishspeaking communities.
- All carriers must provide lifeline telephone service at a *statewide* rate of \$5.62 per month, and a statewide lifeline installation charge of only \$10.00.
- Because more than 7 million Californians over the age of 18 depend upon or prefer to speak languages other than English, all carriers must inform customers of the availability, terms, and statewide rates for universal lifeline service and basic service in the language in which they initially order service, and to provide bills, notices, and service representatives in those languages.
- Based on carriers responses to our discovery, the CPUC specifically prohibited telecommunications redlining.

In our comments, we share our experience in California with the Federal Communications Commission, in case that experience should prove helpful. Sections 253(b) and 254(f) of the Telecommunications Act of 1996 preserve the states' jurisdiction and obligation to protect and advance universal service within each respective state. What policies will best ensure universal service in a particular state will depend in great measure upon that state's unique demographics and demographic trends, the state's particular telecommunication market conduct and history, even the state's particular geography. We request that nothing in the rules ultimately adopted should undermine the CPUC's carefully tailored efforts to achieve and advance universal service in California.

Advanced Services. With respect to ensuring access to advanced telecommunications in all regions of the nation, we repeat our recommendation to California's Public Utilities Commission--ensure at a minimum that the community-based organizations serving low-income, minority, and limited-English-speaking communities have full and equal access to the information superhighway. California's legislature stated that, because of their extraordinary economic and social impact, community-based organizations as well as education and health care institutions must have access to advanced telecommunications services as soon as possible.

Last fall, we conducted a survey of community-based organizations across California concerning their access to the information superhighway. The results:

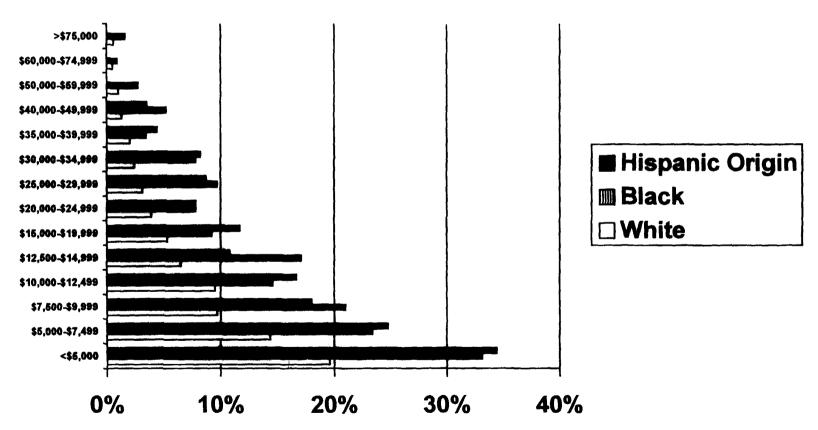
- While <u>91.3 percent</u> of the directors of these community-based organizations concluded that full and equal access was "essential" or "important", two out of three reported no access to the Internet and <u>19 out of 20</u> reported no access to any advanced technologies such as ISDN.
- Over 95 percent reported that their communities need access to advanced technologies for educational programs, health services, employment programs, governmental services and reports, social services and information, etc.
- ▶ Organizations responded from throughout the state. They estimated that they served an average of 350,000 people each, and that 70 percent of their respective communities need access to information-superhighway services.

These results quantify the obvious: The need for advanced services in the communities is as great as the lack of access.

Schools, Libraries, and Health-Care Providers. With respect to access for schools, libraries, and health-care providers, we suggest that the key issue is reversing the already considerable disparities that currently exist between such institutions in poor and affluent communities. Unless the existing disparities are acknowledged and addressed, the policies will build upon, perpetuate, and merely deepen the disparities that are presently exist.

# Households without Phones: Racial Disparity

At each income level, Latino and Black households are approximately twice as likely to have no telephone service.

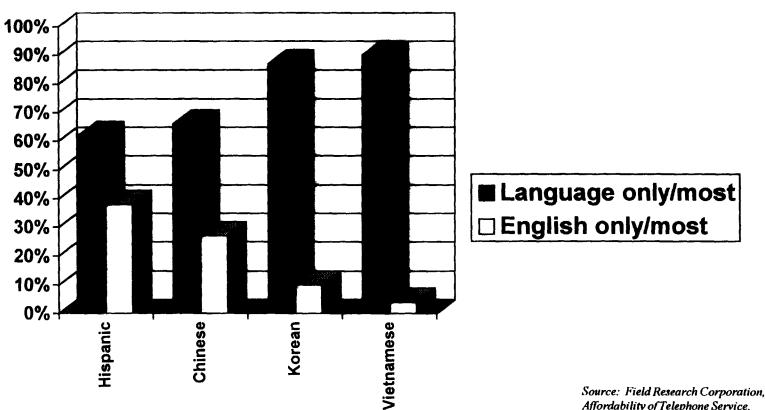


Percentage of Households without Telephone Service

Source: FCC Subscribership Data, March 1994.

# The Need for Multi-lingual Services in California:

Percentage Who Speak Native Languae Only or Most



Affordability of Telephone Service, volume 2, table 1.5.

# Survey

Low-Income, Minority and Limited-English-Speaking Communities'
Need for Equal Access to the Information Superhighway

Public Advocates, Inc.
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Attorneys for
Korean Youth and Community Center
National Council of La Raza
Southern Christian Leadership Conference
Filipinos for Affirmative Action
Filipino Civil Rights Advocates

# COMMUNITY ORGANIZATIONS RESPONDING TO SURVEY ON ACCESS TO INFORMATION SUPERHIGHWAY

Number of respondents	47		
Percentage of respondents serving:  Low-income communities	87.2%		
Limited-English-speaking communities	78.7%		
Latino communities	66.0%		
Asian/Pacific Islander communities	42.6%		
African American communities	29.8%		
Average size of community served by respondents (number of people)	356,242		
Examples of geographic locations covered	East Palo Alto, Fresno, Los Angeles, Madera, Martinez, Mountain View, Oakland, Oceanside, Salinas, San Bernardino, San Diego, San Francisco, San Jose, San Luis Obispo, Stockton		
Types of community organizations represented	Educational programs Health clinics Literacy programs Social-service programs Rural legal assistance offices Employment programs Civil-rights programs		

# SUMMARY OF COMMUNITIES' NEED FOR ACCESS TO INFORMATION SUPERHIGHWAY AND ADVANCED TELECOMMUNICATIONS

Average estimated percentage of respondents' constituents who need access to information-superhighway services

69.2%

# PARTICULAR NEEDS OF CALIFORNIA'S LOW-INCOME, MINORITY, & LIMITED-ENGLISH-SPEAKING COMMUNITIES FOR ACCESS TO INFORMATION SUPERHIGHWAY AND ADVANCED TELECOMMUNICATIONS TECHNOLOGIES

	PERCENTAGE OF RESPONDENTS	
Educational programs and services	100.00%	
Health care services and information	97.87%	
Employment services and information	97.67%	
Governmental services and reports	100.00%	
Social services and information	97.78%	
Community outreach and organization	95.65%	
Collaboration with other organizations serving similar communities	100.00%	
Electronic mail communications	95.65%	
Video teleconferencing	81.40%	

## ADVANCED TELECOMMUNICATIONS SERVICES Respondents **Organizations** Organizations Familiar with Would Use Having Service Service Service If Affordable 37.21% 93.94% INTERNET 82.22% DIGITAL SERVICES (ISDN) 26.67% 5.00% 82.76% BROADBAND CAPACITY 22.73% 5.41% 62.50%

5.41%

5.00%

0.00%

69.23%

83.33%

72.00%

COMMUNITY ORGANIZATIONS' NEED AND DEMAND FOR

34.15%

62.22%

23.81%

WIRELESS

SERVICES

CONFERENCING

FIBER OR FIBER-

VIDEO

COAX

# IS THERE FULL & EQUAL ACCESS TO INFORMATION SUPERHIGHWAY IN LOW-INCOME, MINORITY & LIMITED-ENGLISH-SPEAKING COMMUNITIES?

Percentage of respondents reporting Internet access publicly available in community served	32.6%
Percentage of respondents reporting community-based organizations in community served that have ISDN	2.1%
Percentage of respondents reporting that they have in-house:  Internet	37.2%
Digital services (ISDN)	5.0%
Broadband capacity	5.4%
Wireless services	5.4%
Video conferencing	5.0%
Fiber or fiber-coax	0.0%

# HOW IMPORTANT IS COMMUNITIES' FULL & EQUAL ACCESS TO INFORMATION SUPERHIGHWAY? Respondents concluding that their communities' full and equal access to information superhighway and advanced telecommunications technologies is: ESSENTIAL 63.0% IMPORTANT 28.3% HELPFUL BUT NOT IMPORTANT 4.3%

4.3%

GENERALLY NOT RELEVANT